LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7889 NOTE PREPARED: Jan 16, 2003

BILL NUMBER: SB 542 BILL AMENDED:

SUBJECT: Educational Research Institute.

FIRST AUTHOR: Sen. Clark

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill creates the Educational Research Institute to conduct and disseminate scientifically valid research concerning education and scientifically valid evaluations of educational programs in Indiana.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The bill establishes the Education Research Institute to support effective teaching, learning, and student achievement in the following manner:

- (1) By carrying out scientifically valid research related to education in Indiana.
- (2) By establishing and carry out a systematic scientifically valid evaluation of the effectiveness of educational programs.
- (3) By conducting surveys and compile statistics related to education and educational programs.
- (4) By providing research to the state board to assist the state board in determining the education policy of the state.
- (5) By disseminating the results of activities conducted under this chapter to the public, the department, the state board, the superintendent, the governor and, upon request, the General Assembly.

The institute is also established to ensure Indiana's alignment and compliance with federal educational goals and evaluate education programs.

The director of the Institute is appointed by the Governor for a 4 year term and must have experience in statistical analysis and practices. The director may hire staff and contract with universities and other research institution to carry out education research. On January 1, 2004, an employee of the Department of Education whose primary responsibility is conducting and compiling research is to become an employee of the institute.

SB 542+ 1

The salary and fringe benefit expenses of a director, a researcher, and secretary would be about \$193,373 for FY2004 and \$195,496 for FY 2005. The institute could have additional startup costs including computers, furniture and other miscellaneous expenses. Additional expenses also would incur if the institute contracted for research. The Department of Education would no longer be required to conduct analytical research so there could be a reduction in the Department's expenses. The minimum reduction of cost to the Department is for one employee that becomes employed by the Institute.

The bill also creates the Education Research Institute Advisory Board. The board consists one member appointed by the President Pro Tempore of the Senate, one member appointed by the Minority Leader of the Senate, one member appointed by the Minority Leader of the House. The members need not be legislators and are not entitled to per diem. Members are entitled to reimbursement for traveling expenses and other expenses actually incurred.

The bill does not contain an appropriation or funding source for the Institute. The institute may accept funds from other sources, including federal funds and private donations.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected:

Information Sources:

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SB 542+ 2